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**LAMONICA HERBST & MANISCALCO, LLP**

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December 2, 2019

**By ECF & E-Mail**

Honorable James L. Garrity, Jr.  
United States Bankruptcy Court  
Southern District of New York  
One Bowling Green  
New York, New York 10004-1408

[Garrity.chambers@nysb.uscourts.gov](mailto:Garrity.chambers@nysb.uscourts.gov)

**Re: Penny Ann Bradley  
Chapter 11  
Case No. 18-10122 (JLG)**

Dear Judge Garrity:

This firm is special counsel to Penny Ann Bradley (the “Debtor”). This letter is in response to the letter filed by the Office of the United States Trustee (the “UST”) dated November 27, 2019 regarding the Debtor’s tax returns and disclaimers made by the accountant retained in this case, Lee Klinger.

The UST asserts that the language in the cover letter to the Debtor from the accountant which states “We have prepared the enclosed amended returns from information provided by you without verification or audit” is problematic. I checked with the accountant and he advised that the language contained in the cover letter to the Debtor is normal and customary language generated from his tax software and has no bearing on the tax return. He believes the reason this was generated is because the returns were deemed “Amended” as his firm did not file the original tax return. No such disclaimer is contained in any of the other tax returns that the accountant prepared. He further indicated that the UST should be reminded that his firm is retained pursuant to Order of this Court and he signed these tax returns.

The UST then asserts that the monthly operating reports have a disclaimer. The UST make a reference to the September, 2019 report. Based on my conference call of two weeks ago with the UST, I explained that the reason for the disclaimer was the fact that the tax returns were not done, and once they are done, the Monthly Operating Reports (the “MOR’s”) would be amended without any such disclaimer. This is the reason the September 2019 report has the disclaimer as the tax returns were only recently completed in November 2019. In fact, on November 27, 2019, the Debtor filed amended MOR’s for the months January 2018 through March 2018, and no such disclaimer is contained on the amended MOR’s.

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Finally, the UST asserts that it has not received the tax returns for PBOR or other affiliated entities of the Debtor. These entities are deemed disregarded entities and there is no corresponding tax return. Instead, the Debtor's individual tax return identifies the required income and expenses attributable to each of these entities. A review of the Debtor's individual tax returns, all of which are in the possession of the UST, has these entities properly reflected.

Our firm, along with the assistance of general counsel, is ensuring that the Debtor complies with her obligations to the UST and the Court. We have made extensive strides in working through a myriad of issues and the Debtor has been working diligently to provide all required disclosures. The Debtor will continue to work in good faith to provide the required disclosures and any necessary amendments.

Thank you for your consideration.

Respectfully submitted,

*Joseph S. Maniscalco, Esq.*  
Joseph S. Maniscalco

cc: Nolan E. Shanahan, Esq; Jacob S. Frumkin, Esq.; Daniel S. Alter, Esq.;  
Serene K. Nakano, Esq.; Greg M. Zipes, Esq.; Kenneth Baum, Esq.;  
David Hartheimer, Esq.; Richard Levy, Esq.; Sandy Mayerson, Esq.;  
Marion R. Harris, Esq.; Lee Klinger, CPA and Penny Ann Bradley